FI$Cal Change Discussion Guide

Accounts Receivable Guide

2017 SCO/STO Release

Accounts Receivable Overview

FI$Cal — One state. One system.

Electronic Deposit Form (EDF) → Deposit Slips

eFITS → Electronic Fiscal Input Transaction System (eFITS) Deposit Transactions

Account Payables → Inter Departmental Payments

STO Deposit Slip Processor
Dept AR Payment Processor
Control Agency Payment Processor
SCO AR Deposit Approver

Enter Receivables → Maintain Receivables → Collect Receivables → Apply Payments

Bank Statements → Cash Management

Delinquent Receivables / Collection Information → Interagency Intercept Collections Program (IIC)

Deposit Slip

REPORTS

Maintain Receivables

Process Overview	**Key Impacts**
■ As part of Maintaining receivables, departments can notify the IIC (Interagency Intercept Collections Program) of delinquent receivables ■ SCO and FTB utilizes the IIC to identify delinquent items to deduct payment from individual's personal income tax refunds, unclaimed property, and lottery winnings ■ This process includes the following sub processes: ❑ Identify Delinquent Items	**Identify Delinquent Items** ■ If 30 days have passed after the Notice of Intent to Intercept without payment from payee, the new process in FI$Cal will allow department user to mark items for collection that need to be sent to IIC. ■ Department is responsible for identifying the IIC items and FI$Cal will generate the IIC file as described in the IIC brochure and SAM manual ■ Non-FI$Cal Departments will continue with their current legacy process

Maintain Receivables

Control-Specific Impacts and Notes

- As we transition to FI$Cal roles and responsibilities will change as follows:
  - [ROLE] – [CHANGE IN ROLE RESPONSIBILITIES]
  - [ROLE] – [CHANGE IN ROLE RESPONSIBILITIES]

- Department business processes around Deposits and Offsets will change as follows:
  - [ENTER CHANGE IN BUSINESS PROCESS]
  - [ENTER CHANGE IN BUSINESS PROCESS]

- Increased communication and integration between the following business areas will be needed:
  - [ENTER IMPACTED AREAS] – [ENTER ACTIVITIY THAT MUST BE COMPLETED TOGETHER]

Reference the Offset Processing Business Process Workshop: http://www.fiscal.ca.gov/wave_3_resources/index.html

Maintain Receivables

FI$Cal End-User Roles

Summary Role	Description
AR Item Processor	If your department enters receivables, The end users who will: - create and update receivable items - manage customer interactions including dunning letters and customer conversations
SCO Write-off Approver	The SCO end users who will approve write-offs above the threshold amount.

Maintain Receivables

FI$Cal End-User Training

Course ID	Course Name
AR225	Identify Delinquent Items to be Sent to IIC
AR225	Building a Maintenance Worksheet - Version 3 (Write-offs)

Collect Receivables – Deposit Slips

Process Overview	Key Impacts
■ Currently, departments send paper copies of deposit slips or use the Electronic Deposit Forms (EDF) to create and print their deposit slip forms to report their deposits to the STO ■ FI$Cal Departments will now be able to record deposit slip information, generate the deposit slip number, and print the deposit slip in FI$Cal ■ Each deposit slip has specific deposit and bank account information that is passed through the banking system so that the STO, the SCO, and the banks are able to easily associate deposits with the department that deposited them	**Dept/STO Deposit Slip Processing** ■ FI$Cal Departments no longer need to enter Deposit slips into EDF ■ Departments will record Depository Bank Account details along with the Centralized Treasury System (CTS) Bank Account details ■ STO can also record a deposit slip on behalf of a non-FI$Cal Department ■ System generated cash clearing entries of general cash/uncleared collections are recorded

Collect Receivables – Deposit Slips

Process Overview	Key Impacts
■ This process includes the following sub processes: ❑ Deposit Slips into FI$Cal ❑ Dept Deposit Slip Processing ❑ STO Deposit Slip Processing ❑ EDF Deposit Slip Processing	**EDF Deposit Slip Processing** ■ Non-FI$Cal Departments will continue to record Depository Bank Account details along with the CTS Bank Account details in EDF **Departmental Compliance** ■ STO reserves the right to delay cash clearing until bank statement reconciliation

Collect Receivables – Direct Remittance to State Treasury

Process Overview	Key Impacts
■ The Direct Remittance business process for Accounts Receivable supports the recording and application of monies received directly into the State Treasury in the FI$Cal Accounts Receivable module.	**Remittance Advice Processing**
■ Departments will provide the STO with a Remittance Advice for money being received on their behalf.	■ STO will use the custom STO Journal Entry to key in the journals for direct remittances to the State Treasury and FI$Cal creates a deposit/payment
❑ Such as in the case of a federal drawdown	■ Direct Remittances are now called payments in FI$Cal
■ This process includes the following sub processes:	■ SCO will process payments on behalf of departments using the Controller's Receipt Interface
❑ Remittance Advice Processing	■ SCO will notify Departments that their payments has been processed

Collect Receivables – Offset Processing

Process Overview	Key Impacts
▪ When a new claim is issued (tax return, lottery or unclaimed property), the warrants are first matched to determine if there are any delinquent items that need to be settled - if not, the warrant is issued to the payee ▪ Offset Processing utilizes the IIC to automatically settle delinquent items in AR with payment to the supplier ❑ If a customer has a receivable due to a state department and also has a payable from the state in form of tax returns, lottery or unclaimed property, the program will offset the payable to settle the outstanding receivables	**Offset Settlement by SCO Legacy Claim** ▪ FI$Cal Departments will receive a warrant and will need to create a standard deposit in FI$Cal ▪ Non-FI$Cal Departments will use the EDF or send a deposit slip to the STO to deposit the warrant **Offset Settlement by AR Deposit** ▪ On creation of an offset deposit, FI$Cal Department users will have to apply appropriate amounts to delinquent receivables or direct journal coding to account for the payment amount

Collect Receivables – Offset Processing

Process Overview	Key Impacts

■ This process includes the following sub processes:
   ❏ Offset Processing
   ❏ Offset Settlement by SCO Legacy Claim
   ❏ Offset Settlement by AR Deposit
   ❏ Offset Settlement by GL Journal Entry
	■ On creation of an offset deposit, Non-FI$Cal Department will submit the accounting details using the eFITS interface
	
	Offset Settlement by GL Journal Entry
	
	■ SCO will record the GL Journal Entry in FI$Cal on behalf of the Departments
	
	■ FI$Cal Departments will need to manually close their accounts receivables if using this option

Collect Receivables

Control-Specific Impacts and Notes

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Reference the Deposit Processing and Offset Processing Business Process Workshop:
http://www.fiscal.ca.gov/wave_3_resources/index.html

Collect Receivables

FI$Cal End-User Roles

Summary Role	Description
Control Agency AR Payment Processor	The end users who will: - enter payment data - apply payments to invoices (through worksheets or Payment Predictor) - run FTB/Lottery Offset and Outbound FTB Interfaces.
Department Deposit Slip Processor	The end users who will process deposit slips.
STO Deposit Slip Processor	The STO end users who will enter and update deposit slip information for non-FI$Cal departments.
STO Demand Journal Processor	Mark with an "X" the STO end users who will record demand journals (deposits) in FI$Cal.
AR Confidential Reporter	Mark with an "X " the end users who will run reports with confidential information.

Reference the Deposit Processing and Offset Processing Business Process Workshop:
http://www.fiscal.ca.gov/wave_3_resources/index.html

Collect Receivables

FI$Cal End-User Training

Course ID	Course Name
AR125	Deposits Overview
AR125	Creating a Deposit Slip
AR125	Printing a Deposit Slip
AR125	Approving a Deposit Slip
AR125	Negative Deposit – Example (DAR Included - AR Payment Approver)
AR125	Zero Dollar Deposits – Example (as a correction)
AR125	Recording a Remittance Advice

Reference the Deposit Processing and Offset Processing Business Process Workshop:
http://www.fiscal.ca.gov/wave_3_resources/index.html

Apply Payments

Process Overview	**Key Impacts**
■ Monies received directly into the CTS is recorded and applied in the FI$Cal Accounts Receivable module using the Process Payments business process ■ Departments will apply customer payments against invoices or code payments to specific accounting classifications for non-receivable-related payments ■ This process includes the following sub processes: ❑ Process Payments	**Process Payments** ■ Customer payments will be interfaced from eFITS for Non-FI$Cal Departments ■ Some types of regular deposits will require approval from the SCO ■ Cash Validation will validate sufficient cash when trying to adjust payments between funds. ■ Cash clearing entries are recorded upon payment application to the State Funds by reversing general cash/uncleared collections

Apply Payments

Control-Specific Impacts and Notes

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FI$Cal
One state. One system.

Apply Payments

FI$Cal End-User Roles

Summary Role	Description
Control Agency AR Payment Processor	The end users who will: - enter payment data - apply payments to invoices (through worksheets or Payment Predictor) - run FTB/Lottery Offset and Outbound FTB Interfaces.
SCO AR Maintainer	The SCO end users who will set up the configuration for cash clearing.
SCO AR Cash Clearing Processor	The SCO end users who will run the Deposit Cash Clearing process.

Apply Payments

FI$Cal End-User Training

Course ID	Course Name
AR125	Deposits Overview
AR125	Entering Direct Journal Payment Details – Example 4 (Recording a deposit on behalf of another Department)
AR125	Approving a Deposit

Accounts Receivable

- For additional information on the business processes, key terms, functionality, and end user role definitions for Accounts Receivable, please reference the business process workshops (BPWs) on the FI$Cal Website**:** http://www.fiscal.ca.gov/wave_3_resources/index.html

- For additional information on end-user training, visit the Training page of the FI$Cal Project website at: http://fiscal.ca.gov/training-academy/index.html